



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

January 8, 2014

Nick Child  
The Village Bank  
294 East Tabernacle  
St. George, Utah 84770

Subject: Authorization for Partial Release of Reclamation Surety, Letter of Credit # [REDACTED]  
MMG Mining Company, Bald Knoll Mine, S/025/0012, Kane County, Utah

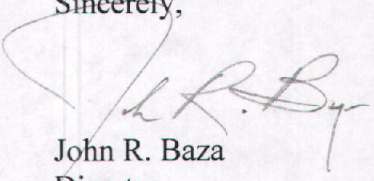
Dear Mr. Child:

The Village Bank is presently holding letter of credit # [REDACTED] for the benefit of the State of Utah, Division of Oil, Gas and Mining, as a form of reclamation surety for MMG Mining's Bald Knoll mine. The Division has verified that regrading work was satisfactorily completed, and this letter authorizes reduction of the letter of credit to no less than \$5,000.00 dollars.

When this transaction has been completed, please supply the Division with an amended letter of credit showing the new amount.

If you have any questions or concerns, please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261. Thank you for your help in this matter.

Sincerely,

  
John R. Baza  
Director

JRB:lk:pb

cc: Mark Carter, MMG Mining

P:\GROUPS\MINERALS\WP\M025-Kane\S0250012-BaldKnoll\final\LOCPR-5779-01062014.doc





GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

Division of Oil, Gas and Mining  
JOHN R. BAZA  
Division Director

Page 1 of 1

### Minerals Inspection Report

Reviewed 

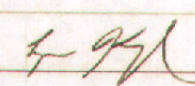
Report Date:

Mine Name: Bald Knoll Mine	Permit Number: S/025/0012	Mine Status: Reclaimed
Operator Name: MMG Mining / Mark Carter	Inspection Date: November 13, 2013	Permit Fees: No Fee Req.
Inspector(s): Lynn Kunzler	Inspection Time: 11:30 am	Bond Amount: \$24,600
Attendee(s): none	Weather: clear and cool	Bond Escalation: 01/01/2013
Inspection Purpose: Evaluate recent reclamation activities		Prior Inspection:

#### Conclusions and Recommendations

This site is now considered reclaimed. All earth work and seeding was completed in early October of 2013. The Operator may request a partial bond release by submitting form MR-SITE.

Elements of Inspection	Evaluated & Commented	Enforcement
1. <i>Permits, Revisions, Transfer, Bonds</i> The operator's lease on this area had expired. He was under a Division Directive to complete reclamation of the site by October 24, 2013. With the site now regraded and seeded, the operator may request a partial bond release. The Division should retain \$5,000 to assure revegetation success.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. <i>Public Safety (shafts, adits, trash, signs, highwalls)</i> The area is behind locked gates to keep the public off this private land. All highwall areas have been reduced to a 2h:1v slope or flatter. There are no shafts or adits on this site. Trash has been removed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. <i>Protection of Drainages/Erosion Control</i> The regraded surface was left in a roughened condition to help control erosion and promote vegetation growth. There are no drainages associated with this operation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. <i>Deleterious Material</i> There is no deleterious materials left at this site. All fuels, oil, lubricants, etc. have been removed from the site.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. <i>Roads (maintenance, surfacing, dust control, safety)</i> The access road to this site was pre-existing and does not require reclamation. This road was considered to be well maintained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. <i>Reclamation</i> The Operator has completed all regrading and other earthwork required to reclaim this site. The area was seeding in October of 2013.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. <i>Backfilling/Grading (trenches, pits, roads, highwalls, shafts)</i>	<input type="checkbox"/>	<input type="checkbox"/>
8. <i>Soils</i>	<input type="checkbox"/>	<input type="checkbox"/>
9. <i>Revegetation</i>	<input type="checkbox"/>	<input type="checkbox"/>
10. <i>Other</i>	<input type="checkbox"/>	<input type="checkbox"/>

Inspector's Signature: 

CC: Mark Carter, Operator  
John Blake, SITLA

File: /nrwogmfs1/OGM/GROUPS/MINERALS/WP/M025-Kane/S0250012-BaldKnoll/inspections/insp-11132013.pdf

